

EXHIBIT 5  
DATE 1/31/2011  
HB 334

Madam Chair and members of the committee,

I am Kerry Cross here today representing my employer, DS Jr. Trucking, a Forestry, Trucking and Heavy Equipment Corporation based in Drummond, MT with operations in Big Timber, MT. Our company is a member of the MT Logging Association and the Northern Rockies Wildfire Contractors.

We are diverse yet small - most of us perform many different jobs which cover different rates for worker's comp. The number of employees is 8-10 people year round with up to 20 depending on the demand for our services. The company carries 7 class codes for work comp from retail services to trucking, logging, mechanics, excavation & dirt work. The most expensive rate the company pays is \$23.56 per \$100.00 in wages and this is the lowest premium the company has ever paid in that class code which is logging. Our company has spent \$443,000 in the last ten years in worker's comp premiums. As you can imagine, any relief from these expensive premiums would absolutely help us to keep our trucks, equipment & employees working in Montana in the natural resource industries we depend on.

Our company has been contacted by several oil and gas companies out of state trying to recruit our services. We have already lost several good truck drivers to the oilfields in North Dakota and Wyoming, these are guys who had been with us for over a decade. We cannot compete with the wages the oil field or what other states have to offer. As the employer, wages include worker's comp as part of the cost. In the meantime, here in Montana, many of us are forced to ask our employees to take paycuts to get thru these terrible economic times. Here is a real real-life equation of work comp in the logging Industry in Montana right now.

A truckload of logs delivered at the sawmill today is worth approx. \$1,000.00. This has to cover the cutting, skidding, de-limbing, wages, fuel, road building, snowplowing, repairs, insurance, Montana's Business equipment tax, license fees, GVW's, Highway use tax, term permits, overweight permits on the log trucks, SM

plates for the loader, & grader and maybe some stumpage to the landowner if they are within a very short distance of the mill. Worker's comp alone is costing \$130.00 per day for 3 logging operators and one log truck driver.

Unfortunately, we have one workman's comp claim that has been lingering for the last 6 years. Although we have an early return to work program and an extensive safety program in place, we have not been able to put this young man back to work in any capacity for 6 years- his doctor will not release him for anything, not even running parts or sweeping the shop floor. There has not been any conclusive diagnosis of his condition and the claim continues. His condition has never been determined or improved even after extensive psychological & physical testing & therapy. The claim seems to be lost and off the radar. Any changes to legislation that would involve some time frames for claims and benefits would certainly help our company. Thank you for your consideration in this matter.